

**PROCEEDINGS BEFORE THE
WASHINGTON STATE
BOARD OF ACCOUNTANCY**

RECEIVED

MAR 09 2012

WA ACCOUNTANCY BOARD

In the matter of the Certificate and/or
License(s) to practice as a Certified
Public Accountant (CPA) or CPA firm of:

NO. ACB-1336

Nancy Lou S. Lampe, CPA,

STIPULATION
AND AGREED ORDER

Respondent.

The Washington State Board of Accountancy (Board) and Nancy Lou S. Lampe
(Respondents) stipulate and agree as follows:

Section 1: Procedural Stipulations

- 1.1 The Respondent understands that the State may issue a statement of charges in this matter and proceed to a hearing before the Board upon the merits of said charges although the State has not done so, in order to facilitate resolution of this matter in accordance with the legislative intent endorsed in RCW 34.05.060.
- 1.2 The Respondent understands that the Board has the power and authority to deny, suspend, revoke, or refuse to renew the Respondent's certified public accountant certificate or any individual or firm license to practice public accounting as a certified public accountant in Washington and may impose a fine plus the Board's investigative and legal costs in bringing charges or impose conditions precedent to renewal of the certificate or license, or impose full restitution to injured parties.
- 1.3 The Respondent understands that the Respondent has the right to defend against a statement of charges by requesting a hearing and presenting evidence on the Respondent's behalf and the Respondent voluntarily waives the right to a hearing and all

other rights which may be accorded the Respondent by the Administrative Procedures Act, chapter 34.05 RCW, and the laws of Washington, including the right to petition the courts for judicial review.

- 1.4 The Respondent wishes to expedite the resolution of this matter by means of this Stipulation and Agreed Order and does not desire to proceed to a formal hearing based on the issuance of a statement of charges.
- 1.5 The Respondent understands that this Stipulation and Agreed Order is not binding unless it is approved by the Board.
- 1.6 Should this Stipulation and Agreed Order be rejected by the Board and the State proceeds to issue a statement of charges, the Respondent waives any objection to the participation of any members of the Board at a hearing on this matter, other than the consulting Board member in this proceeding.
- 1.7 The parties further stipulate to the following Stipulated Facts, Conclusions of Law and Agreed Order:

Section 2: Stipulated Facts

- 2.1 At all times material hereto, Nancy Lou S. Lampe, the Respondent herein, held a license (No.11718) to practice as a Certified Public Accountant (CPA) in the state of Washington. The Respondent was the sole owner of the CPA firm, Valley CPA Service, LLC, a limited liability company. The CPA firm, Valley CPA Service, LLC, held a valid license (No. 4498) to practice public accounting in the state of Washington through January 9, 2011. On January 9, 2011, the Respondent advised the Board of the dissolution of the CPA firm. On January 12, 2011, the CPA firm, Renggli & Renggli, PS amended the firm's registration with the Board to add the Respondent as an owner of the CPA firm.
- 2.2 On September 3, 2010, the Respondent issued an independent auditor's report on the financial statements of the Law Enforcement Officers and Fire Fighters Health and Welfare Trust as of December 31, 2009 and 2008.

- 2.3 The Office of the Chief Accountant for the U.S. Department of Labor, Employee Benefits Security Administration (EBSA) reviewed the Respondent's audit report and financial statements and audit workpapers to the Law Enforcement Officers and Fire Fighters Health and Welfare Fund Trust as of and for the year ended December 31, 2009. The EBSA's review disclosed the following:
- 2.3.1 The independent qualified public accountant (IQPA) failed to perform sufficient audit work in certain relevant areas to support the opinion rendered on the plan's financial statements. Accordingly, the audit of the plan was not conducted in accordance with generally accepted auditing standards (GAAS).
- 2.3.2 The financial statements of the plan were not presented in accordance with established standards of financial reporting for a health and welfare benefit plan. Specifically, the plan failed to present certain information regarding the plan's benefit obligations as of the end of the plan year. Accordingly, the plan's financial statements were not prepared in accordance with established professional standards

Based on the foregoing Stipulated Facts, the Board makes the following:

Section 3: Conclusions of Law

- 3.1 The Washington State Board of Accountancy has jurisdiction over the subject matter herein.
- 3.2 The Respondent's conduct in Stipulated Facts 2.3 constitutes cause for Board discipline under RCW 18.04.295(4) and WAC 4-25-910 (recodified as WAC 4-30-142) for violations of WAC 4 25-610 that requires a CPA to comply with state law and the profession's technical and ethical standards; WAC 4-25-630 (recodified as WAC 4-30-046) that prohibits a CPA from undertaking to perform any service as a CPA unless the CPA can reasonably expect to complete the service with professional competence; WAC 4 25-631 (recodified as WAC 4-30-048) that requires a CPA to exercise due care and professional judgment in order to comply with the pertinent accounting principles, professional

standards, regulations, releases and rules promulgated by the appropriate bodies for each endeavor undertaken.

Section 4: Agreed Order

Based on the preceding Stipulated Facts and Conclusions of Law, Respondent agrees to the entry of the following order:

4.1 The Respondent shall:

4.1.1 Pay a fine in the amount of one thousand five hundred dollars (\$1,500) payable to the Washington State Board of Accountancy within 60 days of the acceptance and entry of this Stipulation and Agreed Order.

4.1.2 Reimburse the Board the amount of five hundred dollars (\$500) for investigative and legal costs payable to the Washington State Board of Accountancy within 60 days of the acceptance and entry of this Stipulation and Agreed Order.

4.2 For five years following the Board's acceptance and entry of this Stipulation and Agreed Order, the Respondent may not serve as principal, manager, or supervisor on any engagement involving attest services or issue audit or review reports to financial statements or any other attestation reports. The Respondent may assist with the preparation of such reports as an employee or associate of a licensed CPA firm provided the Respondent has no authority in the firm to issue attest reports.

4.3 The Respondent may apply to the Board for relief from the practice (service) restriction at ¶4.2 after three years from the date of the Board's acceptance and entry of this Stipulation and Agreed Order by submitting a written request to the Board. The Respondent's request must contain at the very least quality controls satisfactory to the Board to assure that subsequent financial statement reports will conform to professional standards. The Respondent must obtain written permission from the Board prior to serving as principal, manager, or supervisor on any engagement involving attest services or issuing audit or review reports to financial statements or any other attestation reports.

4.4 Prior to applying to the Board for relief from the practice (service) restriction at ¶4.2 the Respondent must complete the following group or interactive self-study (not non interactive self-study) Continuing Professional Education approved in advance by the Executive Director:

4.4.1 Eight or more CPE hour course on GAAS update

4.4.2 Eight or more CPE hour course on accounting and reporting standards annual update and review (ARSAUR4)

4.4.3 Eight or more CPE hour course on compilation and review disclosures

4.4.4 Eight or more CPE hour course on financial statement presentation

4.4.5 Eight or more CPE hour course on retirement plan disclosures

4.4.6 Eight or more CPE hour course on audits of employee benefit plans

The Respondent must provide satisfactory supporting documentation of course completion to the Board in such manner that the Board receives it with the Respondent's written request for relief from the practice (service) restriction at ¶4.2. The Respondent may use these CPE hours toward the Respondent's CPE renewal requirements for the CPE reporting period in which the request for relief from the practice (service) restriction is submitted.

4.5 The Board may elect to require the Respondent to submit to a field review of the Respondent's practice at the Respondent's cost, obtain library materials, and/or submit one or more financial statement reports (and accompanying financial statements) to the Board for evaluation as a condition of lifting the practice (service) restriction at 4.2 of this Order. The Board may impose such additional conditions as it deems advisable (including assessing the cost of financial statement report evaluations).

4.6 Following the lifting of the practice (service) restriction at 4.2, the Respondent must engage an independent technical consultant with qualifications that are pre-approved by the Board and at the Respondent's expense to evaluate the Respondent's first audit

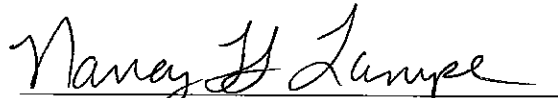
engagement of an employee benefit plan for compliance with professional standards. Respondent shall submit this engagement to the Board approved technical consultant for evaluation before issuing the report to Respondent's client. The evaluation must include the report, financial statements, and working papers. Respondents shall refrain from issuing the report to Respondent's client until the technical consultant completes the evaluation of the engagement and the Respondent completes any necessary actions to bring the engagement into compliance with professional standards. The evaluation of the engagement shall include a report for the Board. The Respondent must submit a copy of the technical consultant's report to the Board within 30 days of the completion of the evaluation. At that time the Board will review the report and determine whether or not further action is needed by the Respondent. The Respondent will comply with such other remedies as the Board deems necessary.

- 4.7 The Board will audit the Respondent's CPE completed during the January 1, 2010, through December 31, 2012, to ensure the Respondent's CPE includes sufficient tax CPE to support Respondent's tax assistance in current firm.
- 4.8 The Board will publish the terms of this Stipulation and Agreed Order.
- 4.9 Any and all costs involved in complying with this order shall be borne by the Respondents.
- 4.10 Nothing in this Order precludes the Board from exercising its authority and responsibilities under chapter 18.04 RCW or Title 4 WAC. Any violations of such chapters or this Agree Order constitute independent grounds for the denial, suspension, revocation or refusal to renew the Respondents' certificate and/or license(s).
- 4.11 Any violation of the terms and conditions of this Agreed Order, chapter 18.04 RCW, and/or Title 4 WAC following the date of acceptance by the Board and notification of such acceptance to the Respondents shall be grounds for denying, suspending, revoking, or refusing to renew the Respondent's certificate and/or license(s), imposing a fine plus

the Board's investigative and legal costs, imposing full restitution to injured parties, or imposing conditions precedent to renewal of a certificate or a license as provided by chapter 18.04 RCW. The terms of this Stipulation and Agreed Order apply to and resolve only the violations referred to herein.

I, **NANCY LOU S. LAMPE, CPA**, certify that I have read this Stipulation and Agreed Order in its entirety; that I fully understand and agree to all of it, and that it may be presented to the Board without my appearance. If the Board accepts the Stipulation and Agreed Order, I understand that I will receive a signed copy.

DATED this 16 day of March, 2012.

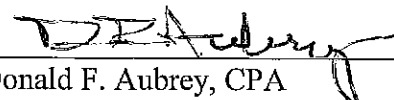

Nancy Lou S. Lampe, CPA

Section 5: Order

The Board accepts and enters this Stipulation and Agreed Order.

DATED this 17th day of March, 2012.

WASHINGTON STATE
BOARD OF ACCOUNTANCY


Donald F. Aubrey, CPA
Chair